

29 September 1956

THRU : Chief, St/I  
Chief, D/S

Chief, S/TF

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Targets - Albania.

#### OBJECTIVE

All targets listed below are sought under objective II a. of DCID, dated 30 October 1956:

"The strengths and weaknesses of the Soviet (including Satellite) economy, with particular reference to its ability to support a major war; the motivation, character, and magnitude of current economic development programs, their implementation and their effect upon the economic, political, and military strength of the Soviet Bloc; the capabilities and vulnerabilities of the Soviet and Satellite internal communications system."

#### BACKGROUND

Albania is the smallest and least industrially advanced member of the Soviet Bloc. Foreign trade totals are relatively small and its large import surplus dates back to pre-war times. Attempts to develop the Albanian economy have been concentrated largely on the field of agriculture and the agricultural processing industry as well as on the further development of various mineral resources, e.g., petroleum, chrome ores, copper, coal, bitumen, etc. Since the break with Yugoslavia in 1948, the Albanian economy has been heavily subsidized by Soviet Bloc countries through the extension of grants and long-term loans, and foreign trade has been carried on almost exclusively with the Bloc. In April 1957 the Soviet Union released Albania from the obligation to repay some \$105.5 million worth of Soviet credits which had been used to construct various Albanian industrial projects during the postwar period. The Soviets also agreed to

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SUBJECT: [REDACTED] Targets - Albania.

extend assistance in working out long-term plans for the development of the Albanian economy during the next 10-15 years. Subsequent Soviet credits to Albania include an agricultural credit valued at \$7.75 million and \$40 million in economic assistance for the development of Albanian agriculture and industry. Most of the other members of the Sino-Soviet Bloc have also continued to render assistance to Albania; at least one of the Satellites, East Germany, has recently cancelled a large part of Albania's accumulated indebtedness.

#### BASIC GUIDANCE

Ruble values of total exports and imports by year since 1950; geographic distribution of trade by country or by area (Soviet Union, European Satellites, Communist Far East, Non-Communist World); commodity composition of trade by major grouping; details of trade and payment and credit agreements signed by Albania; economic and financial relations with the West, particularly with Yugoslavia and Italy; total value of long-term indebtedness still outstanding, broken down by creditor nation and terms of repayment; status of short-term commercial indebtedness; gold and foreign exchange holdings of the Albanian State Bank; exchange rates for the lek, for both commercial and non-commercial purposes; relation between Albanian domestic and foreign trade prices.

<u>Target</u>	<u>Location</u>
1. Classified documents concerning total exports and imports since 1950, by area.	State Enterprise Import-Export (Mënymarja Shtetërore Import-Export) in the Ministry for Foreign Trade.

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SUBJECT: [REDACTED] Targets - Albania.

<u>Target</u>	<u>Location</u>
2. Classified documents concerning financial aspects of Albanian trade, e.g., amount of indebtedness and terms of repayment, relation between internal and foreign trade prices, etc.	Ministry of Finance and/or the Albanian State Bank.

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Distribution:

Orig. and 1 - Addressee  
1 - S/TF  
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ORR/D/S [REDACTED]:evb/8182 (29 September 1958)

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